

May 9, 2005

VIA HAND-DELIVERY:

Charles L.A. Terreni, Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

Re: Chesnee Telephone Company vs. KMC Telecom, et al

Docket No.: 2005-30-C

Dear Mr. Terreni:

The parties believe we have settled the above-referenced dispute. Last Thursday, Chesnee, the Office of Regulatory Staff, and KMC met to discuss the language of the agreement. The final language of the agreement is being resolved; however, KMC does not anticipate any significant issues with the language. Therefore, KMC is not pre-fling any testimony today since it believes the parties have an agreement. If a final agreement is not reached, KMC will file a request to allow it to file testimony.

Thank you for your assistance with this matter. All parties of record have been notified by e-mail of this correspondence.

Sincerely,

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RETjr:alw Enclosures

cc:

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